

# Before the Board of Milk Control of the State of Montana

## Announcement of Class I, II & III Producer Prices Effective February 01, 2021

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By Order of the Montana Milk Control Bureau

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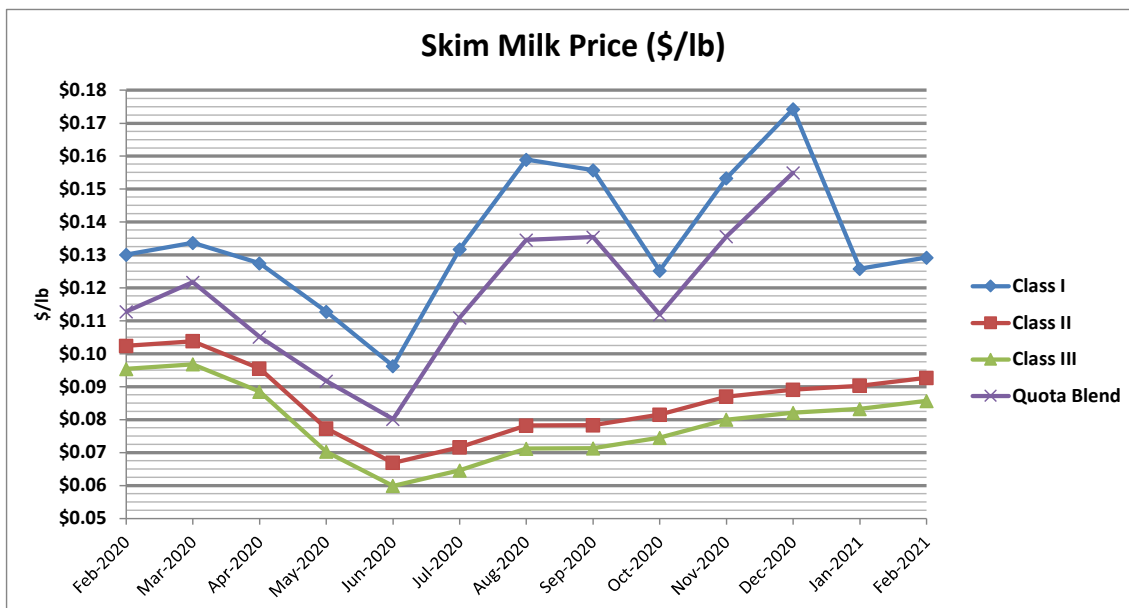
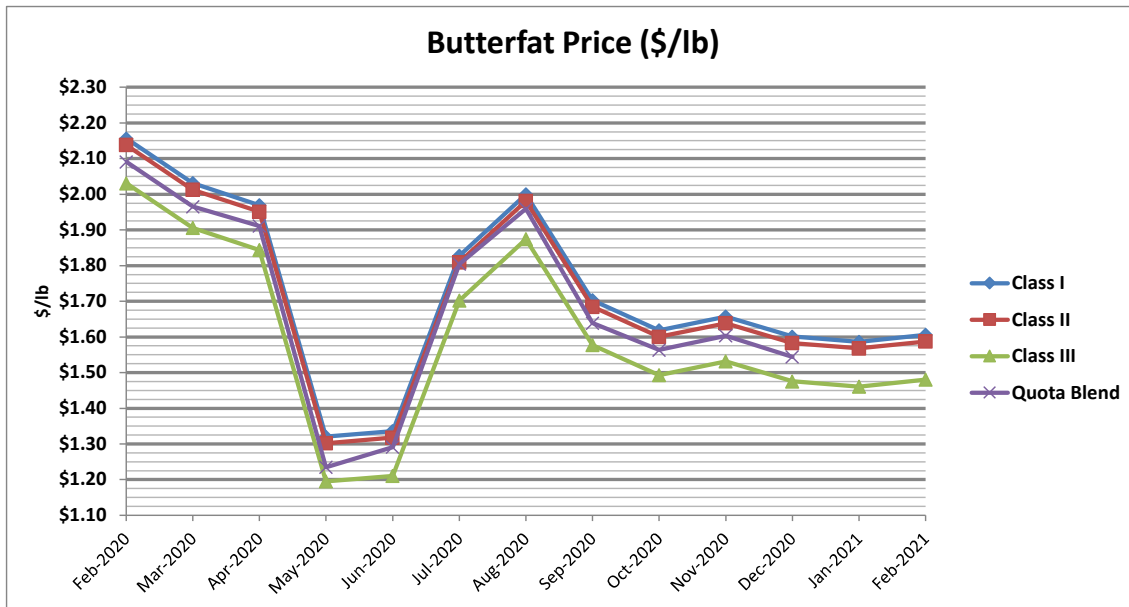
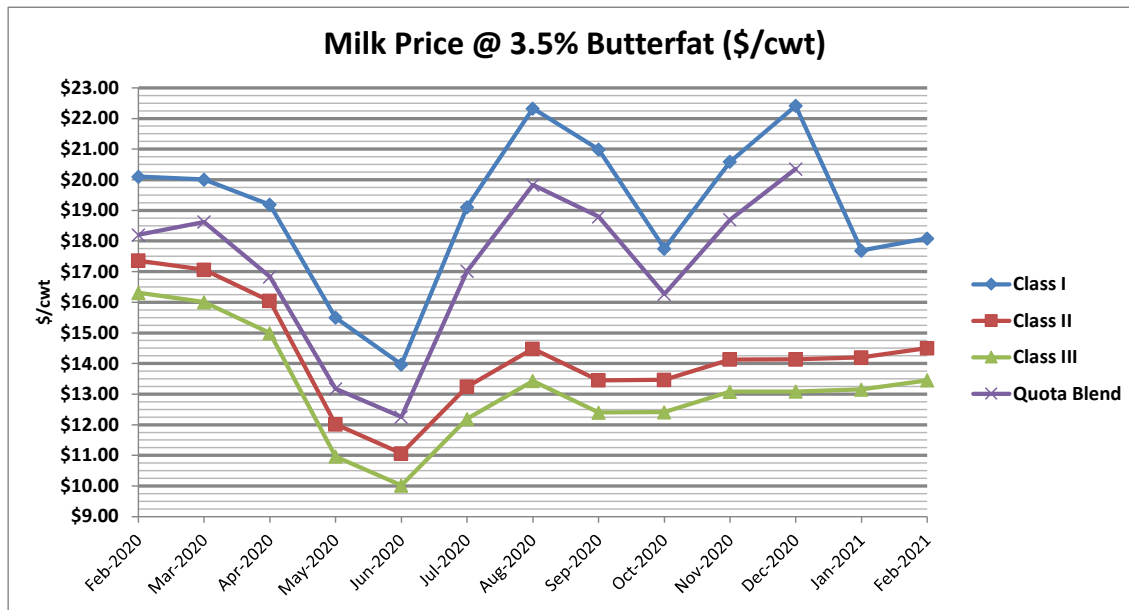
February 2021 Montana Price Announcement Summary			
	Price for Milk Testing 3.5% Butterfat (\$/cwt)	Butterfat Price (\$/lb)	Skim Milk Price (\$/lb) to seven decimal places
Class I	\$18.09000	\$1.6059	\$0.1292161
Class II	\$14.50145	\$1.5874	\$0.0927000
Class III	\$13.45145	\$1.4804	\$0.0857000

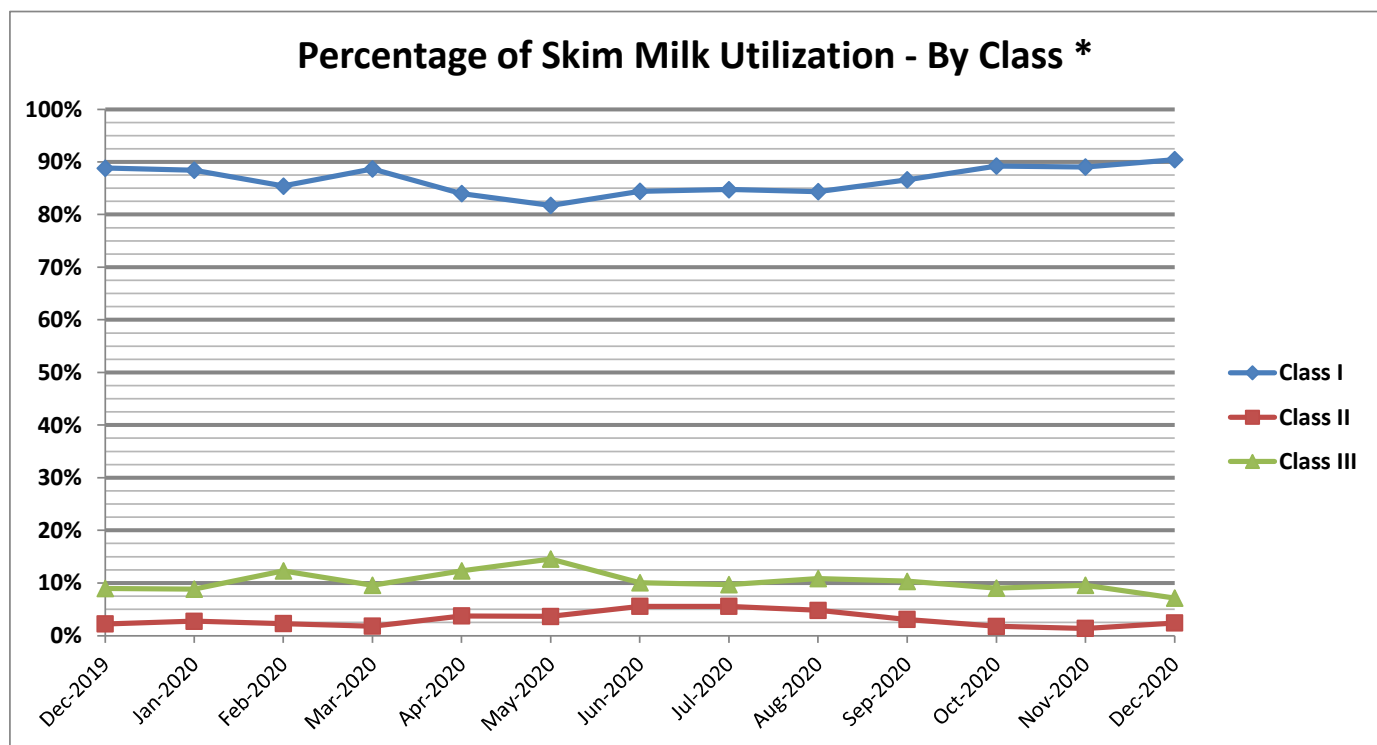
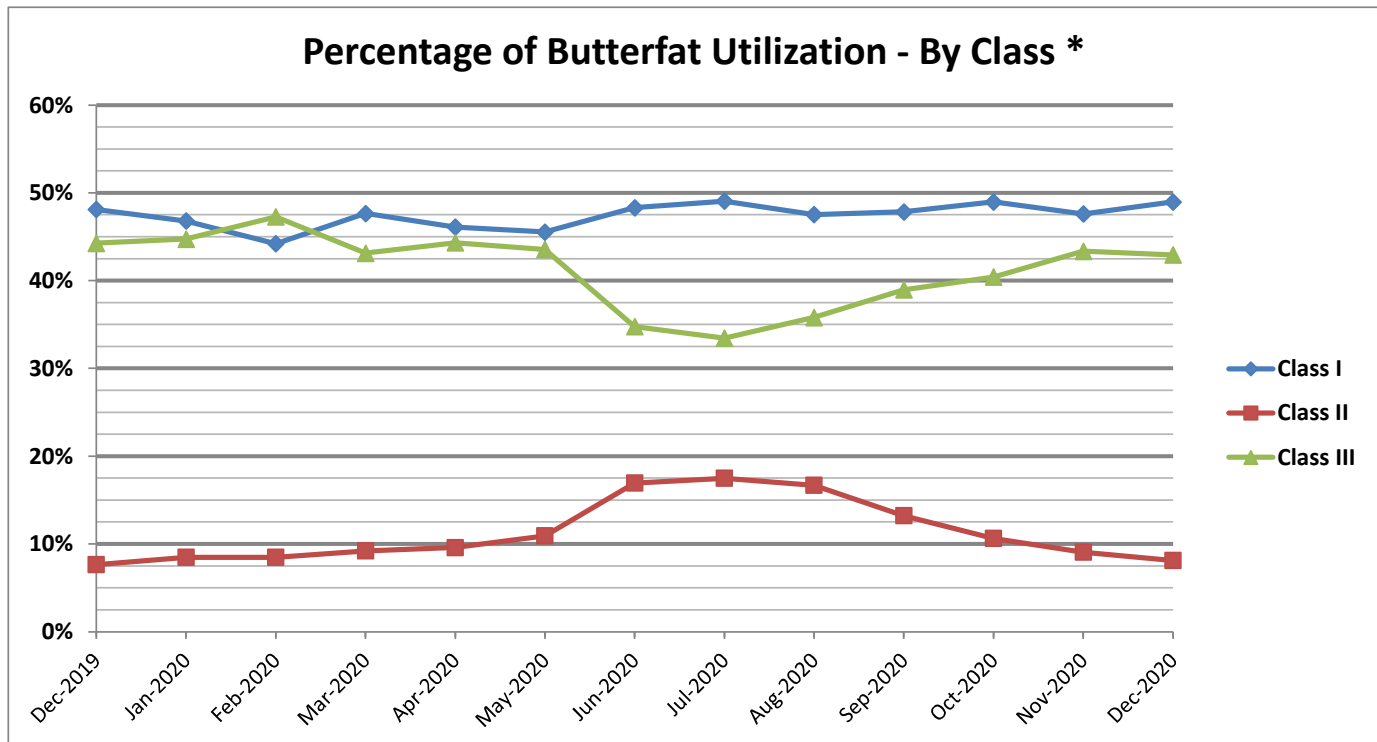
Montana Class I Price Computations per ARM 32.24.480(2)			
	Federal Order Base Class I Price for Milk Testing 3.5% Butterfat (\$/cwt):	\$	15.54
	Plus: Montana Differential (\$/cwt)	\$	2.55
	Montana Class I Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	18.09
	Federal Order Advanced Butterfat Pricing Factor (\$/lb)	\$	1.5804
	Plus: Montana Differential (\$/lb)	\$	0.0255
	Montana Class I Butterfat Price (\$/lb)	\$	1.6059
	Value of Montana Class I Butterfat at 3.5 lbs	\$	5.62065
	Value of Montana Class I Skim Milk at 96.5 lbs	\$	12.46935
	Montana Class I Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	18.09000

Montana Class II Price Computations per ARM 32.24.480(3)			
	Advanced Butterfat Pricing Factor (\$/lb)	\$	1.5804
	Plus: \$0.007/lb (\$/lb)	\$	0.0070
	Montana Class II Butterfat Price (\$/lb)	\$	1.5874
	Montana Class II Skim Milk Price (\$/lb): federal Class II Skim Milk Price converted to units of dollars per pound of skim milk	\$	0.0927
	Value of Montana Class II Butterfat at 3.5 lbs	\$	5.55590
	Value of Montana Class II Skim Milk at 96.5 lbs	\$	8.94555
	Montana Class II Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	14.50145

Montana Class III Price Computations per ARM 32.24.480(4)			
	Advanced Butterfat Pricing Factor (\$/lb)	\$	1.5804
	Less: Montana Class III Butterfat Price Differential (\$/lb)	\$	(0.1000)
	Montana Class III Butterfat Price (\$/lb)	\$	1.4804
	Federal Class III Skim Milk Pricing Factor (\$/cwt)	\$	10.68
	Federal Class IV Skim Milk Pricing Factor (\$/cwt)	\$	8.57
	Montana Class III Skim Milk Price: lower of Class III or Class IV Skim Milk Pricing Factor converted to units of dollars per pound of skim milk (\$/lb)	\$	0.0857
	Value of Montana Class III Butterfat at 3.5 lbs	\$	5.18140
	Value of Montana Class III Skim Milk at 96.5 lbs	\$	8.27005
	Montana Class III Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	13.45145

Reference Prices for Montana Producer Price Calculations USDA Announcement of Advanced Prices and Pricing Factors - January 21, 2021	
Federal Order Base Class I Price (\$/cwt)	\$15.54
Advanced Butterfat Pricing Factor (\$/lb)	\$1.5804
Class II Skim Milk Price (\$/cwt)	\$9.27
Class III Skim Milk Pricing Factor (\$/cwt)	\$10.68
Class IV Skim Milk Pricing Factor (\$/cwt)	\$8.57





\* Approximately 30% of skim milk utilization and 15% of butterfat utilization is for Class I milk that is sold as surplus milk. Surplus sales adjustments decrease the pool skim milk utilization value by \$2.55/cwt for sales to markets contiguous to Montana and by \$3.05/cwt for sales to markets non-contiguous to Montana.